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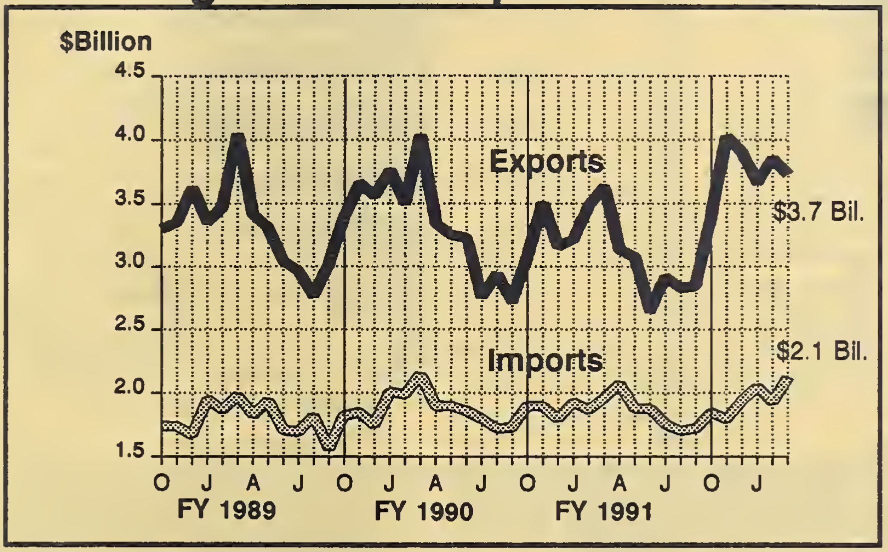
AGRICULTURAL TRADE HIGHLIGHTS

Strong Consumer-Oriented Sales Boost Agricultural Exports 3 Percent



March trade statistics released on May 20 by the Commerce Department placed *the value of U.S. agricultural exports* at $3.7 billion, up 3 percent from from the same month last year, but down 3 percent from February. Sharply higher export values for wheat, tobacco, and high-value products more than offset heavy reductions in corn and cotton shipments. March's performance brings the cumulative fiscal 1992 (October-March) total to $22.6 billion, up 12 percent from the same period last year.

At $1.8 billion, U.S. exports of *bulk commodities* in March slipped 6 percent from last year. Heavy losses in the value of corn and cotton shipments were only partially offset by sharp gains in wheat and tobacco exports. However, to-date, bulk exports are up nearly $1 billion from year earlier levels at $10.9 billion.

U.S exports of *intermediate high-value products* reached $749 million, roughly unchanged from a year ago. Exports of soybean oil continued to grow, up nearly three-fold to $28 million. As a result, year-to-date shipments now total $166 million, up $100 million from the same 6-month period last year. There was little change in exports of the other major products, including feeds and fodders, hides and skins, and soybean meal. March's performance brings the category's year-to-date total to $4.9 billion, 11 percent ahead of the same period last year.

U.S. exports of *consumer-oriented high-value products* remain at a record setting pace, registering yet another double-digit rise in March--up 26 percent to nearly $1.2 billion. Continuing a long-running trend, gains in consumer-oriented exports were broad-based, with nearly all of the 16 categories up over year-earlier levels. Among the top perfomers were dairy products, snack foods, horticultural products (particularly fresh fruit), and red meat. March's performance brings the year-to-date total to over $6.7 billion, 20 percent ahead of the same record-setting period last year.

Trade performance with the *top 10 U.S. agricultural export markets* in March was mostly up over year-ago levels; six markets registered increases while four showed decreases. Growing most sharply were exports to Canada and Mexico, which more than offset a $184 million decline in shipments to the former Soviet Union. Other markets showing growth include the European Community, Japan, Hong Kong, and South Korea, while double-digit losses occurred in shipments to China, Taiwan, and Egypt.

March U.S. *agricultural imports* jumped 8 percent from year-earlier levels to $2.1 billion. This raises fiscal year-to-date imports to $11.9 billion, up 4 percent from 1991. Led by strong exports, the year-to-date agricultural trade surplus totalled $10.7 billion, over $2 billion higher than the same 6-month period last year.

On May 29, the World Agricultural Outlook Board revised its *fiscal 1992 projections for U.S. agricultural trade.* Exports are now forecast to reach $41 billion, up $1 billion from earlier projections. Much of this increase is due to improved prospects for soybeans, livestock and horticultural products.

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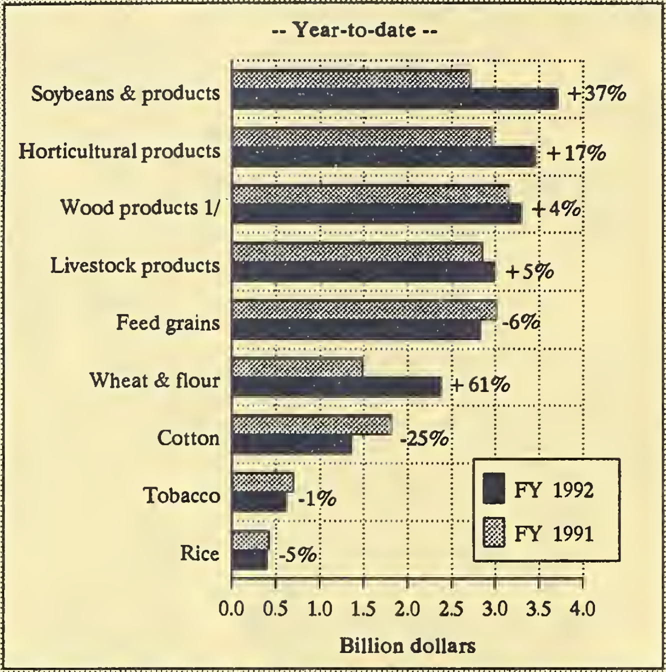
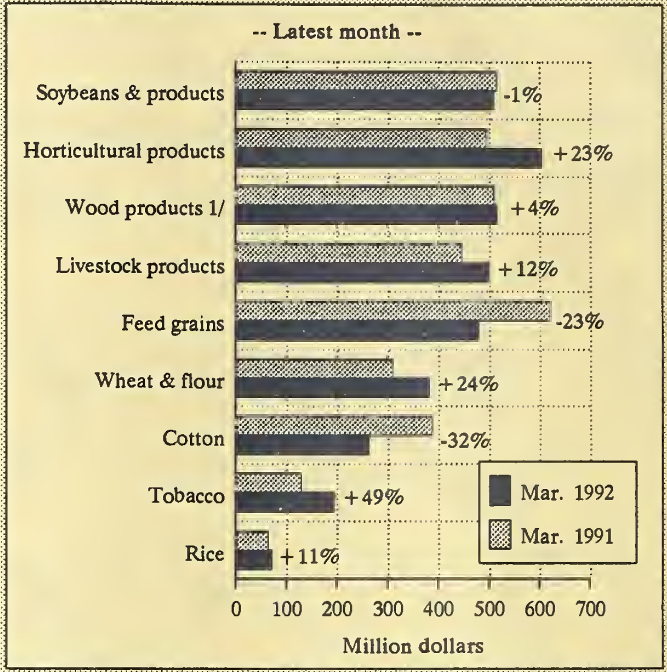
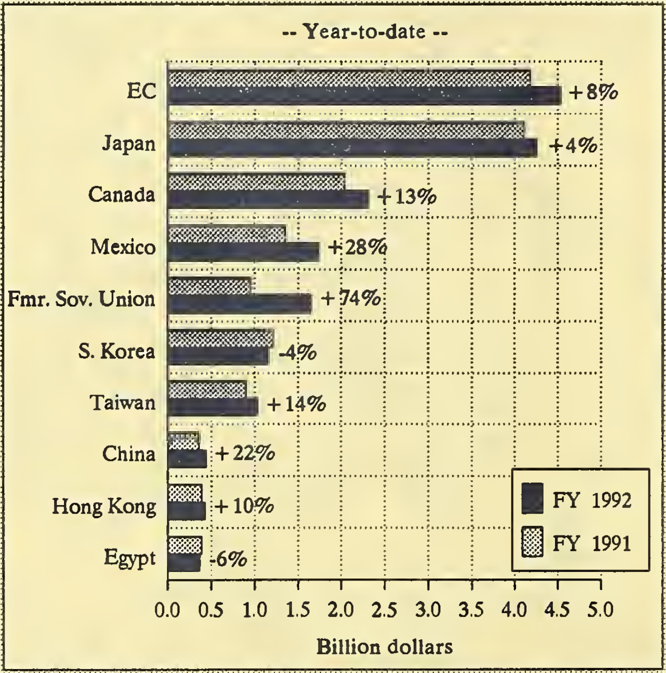
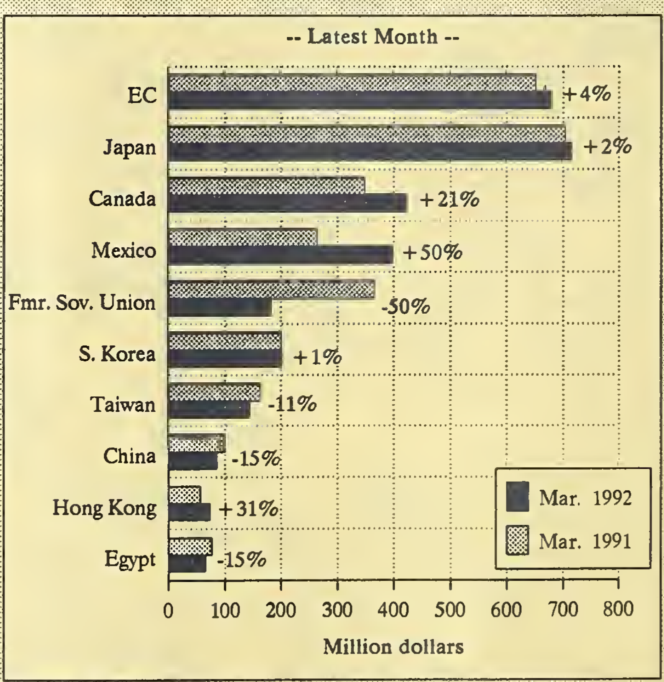




Top Ten Markets Summary





Note: Percentages are computed as the change from a year ago.

1/ Not included in agricultural totals.

Commodity Highlights

March exports of agricultural products rose 3 percent from last year to $3.73 billion. Significant inreases occurred in sales of livestock products, wheat, and horticultural products.

Wheat and wheat flour sales of $382 million continue a recent growth trend, increasing 24 percent despite a 12-percent volume decline. Expected tighter supplies of U.S. wheat for the rest of the 1991/92 marketing year continue to exert upward pressure on prices. The former Soviet Union accounted for $29 million of the $73-million increase over last March. Other notable gains occurred in sales to China, Japan, and Tunisia, up $22 million, $14 million, and $12 million, respectively. During the first 6 months of fiscal 1992, wheat and wheat flour exports have grown 61 percent by value on a 46-percent rise in volume, compared with the same period in 1991.

Exports of *feed grains* declined in March to $480 million, from $620 million last year. While value was down 23 percent, volume fell 28 percent. Exports fell by $158 million to the former Soviet Union, followed by Japan and Taiwan, down $47 million and $11 million, respectively. Notable gains occurred in drought plagued sub-saharan Africa, which collectively increased purchases by $34 million. Exports to Spain and Mexico also rose $22 million and $21 million respectively. So far this fiscal year, feed grain sales are down 6 percent on a 10-percent fall in volume.

Soybean and product exports fell in March to $509 million compared with $515 million last March. However, the overall small change in exports obscures significant shifts in sales to individual markets. Two markets were responsible for virtually all of the increases. The EC and Mexico rose by $54 million and $38 million, respectively. These gains were more than offset by sales drops to the former Soviet Union, Japan, Taiwan, and Canada. Year-to-date soybean and product exports for fiscal 1992 are now $3.7 billion, 37 percent ahead by value and 37 percent up on volume over last fiscal year at this time.

U.S. *rice* exports rose 11 percent in March to $71 million on a 2-percent increase in volume. While moderate sales declines were widespread, sales increased $9 million to Turkey, as well as $4 million to Peru and $3 million to South Africa. Low worldwide rice stocks continue to exert upward pressure on prices. While year-to-date value is off by 5 percent, volume is 17 percent below that of the same period last year.

Horticultural product exports during March continued to grow, rising a strong 24 percent in value on a 34-percent rise in volume over last year, to $606 million. Most of the $117 million gain was in shipments to Canada, up $40 million, Japan, up $18 million, and Mexico, up $16 million. During the first 6 months of fiscal 1992, horticultural exports continued their record setting pace and are running 17 percent above the record fiscal 1991 level and now total more than $3.4 billion.

March sales of *unmanufactured tobacco* rose 49 percent, or $64 million, to $193 million. Increased sales to Japan dwarfed all other market, up $42 million, followed by the EC with a gain of $14 million, and Turkey, up $4 million. The only notable sales declines occurred to Switzerland, and Hong Kong, down $2 million each. Year-to-date exports of unmanufactured tobacco are down 1 percent to $815 million on a volume decrease of about 3 percent.

Exports of *cotton* in March were down 32 percent to $263 million on a 24-percent decline in volume. The erosion in U.S. exports reflect increased competition due to higher world production. Of the $125 million overall decline, the most notable occurred in sales to the EC, off $32 million, China, $25 million lower, Japan, down by $23 million, and Korea, down $13 million. Sales to Indonesia and the Philippines ran counter to the trend, gaining $6 million and $4 million respectively. Year-to-date sales now total $1.4 billion, down 25 percent from last year's pace, on an 18-percent volume decline.

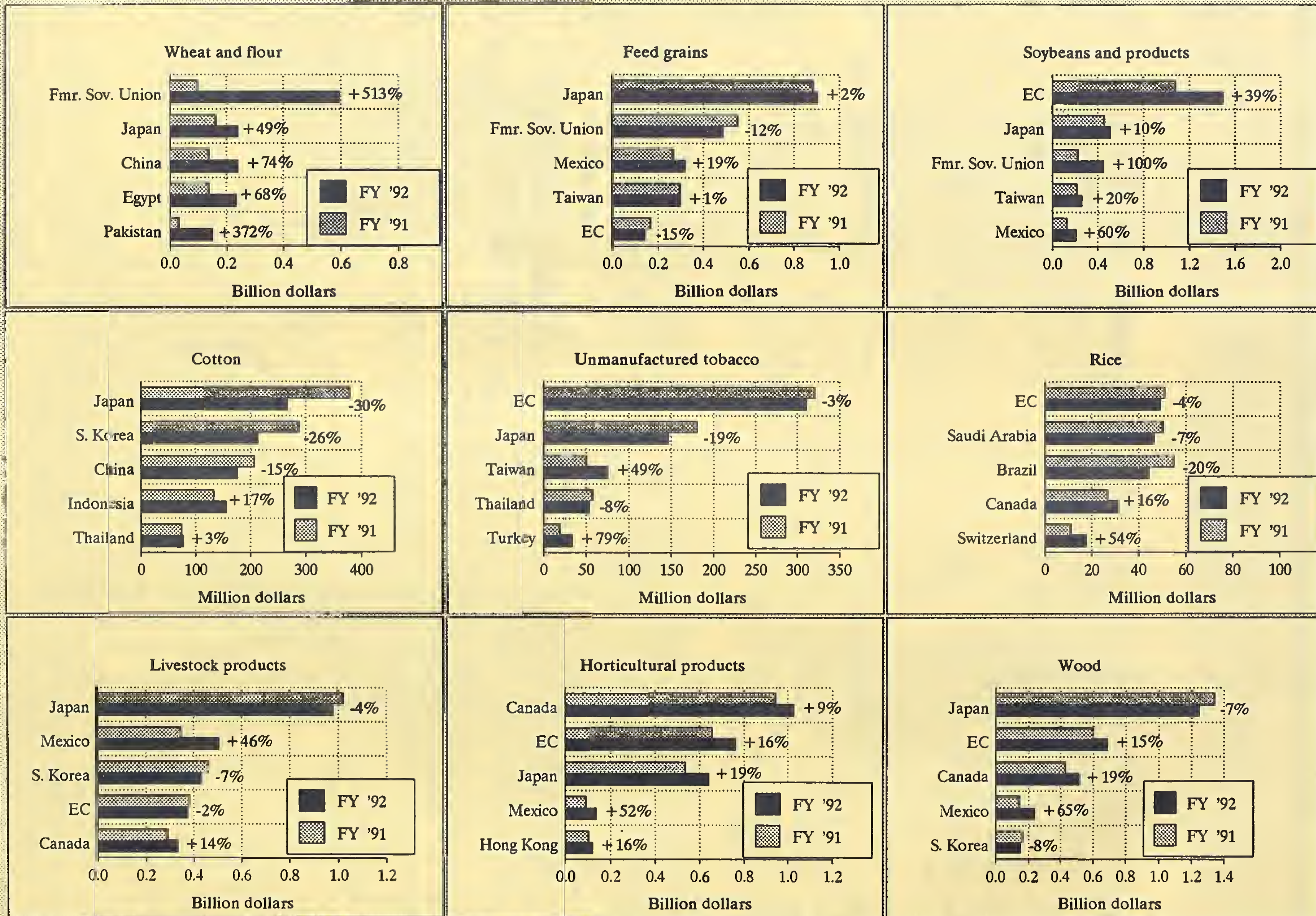
Livestock and product exports for March were up a strong 12 percent to $500 million. Sales to Mexico and Japan were up $26 million and $19 million, respectively, followed by Canada and Korea, both up $5 million. The only notable declines occurred in exports to Nigeria, down $4 million, and Turkey, Brazil, and Argentina, each down $2 million. Sales in most other markets were either flat or up slightly. The year-to-date livestock and product exports now total $3 billion up 5 percent from last year.

Sales of *wood products* in January increased 4 percent to $589 million. Major markets showing gains were the EC, Mexico, and Canada, up $47 million, $18 million, and $11 million, respectively. There were, however, significant sales declines to Japan and Australia, down $39 million, and $6 million, respectively. Year-to-date wood product exports have reached $3.3 billion, about 4 percent ahead of last year's record level.

For more information, contact Tom St. Clair at (202) 720-6821

Top Five Markets for Major U.S. Commodities

October-March Comparisons



Note: Percentages are computed as the change from fiscal 1991 to fiscal 1992 cumulative totals..
1/ Negligible exports reported during comparable period last year.

Country Spotlight: Japan

Japan is the largest market for U.S. agricultural exports. In fiscal 1991, shipments totaled $7.7 billion. Although this was a slight drop from its peak of $8.1 billion in 1989, sales are expected to rebound to $8.1 billion in 1992. Over the last six years, one out of every five dollars of agricultural exports have gone to this nation of 125 million.

The United States is, by far the largest supplier of agricultural products to Japan, accounting for more than one third of Japanese imports. Other major suppliers include Taiwan, China, Australia, Canada, New Zealand, Thailand, and Brazil. This dominance is also broad-based with the United States the leading source of Japanese imports in all three major agricultural trade categories--bulk, intermediate and consumer-oriented high- value products.

In traditional bulk commodities, the United States continues to dominate with 48 percent of the market. Major U.S. products purchased in 1991 include soybeans ($802 million), wheat ($398 million), cotton ($536 million), and tobacco ($313 million). Canada, the second ranked bulk commodity supplier, has only a 10 percent share.

In the intermediate category, the United States leads with a market share of 29 percent. Major U.S. products are feed and fodders ($300 million), hides and skins ($319 million), and live animals ($75 million). Chief rivals in this category are Australia with 20 percent and EC with 10 percent of Japanese imports.

The rapidly growing consumer-oriented high-value market is led by the United States with its 30 percent share compared with the EC's 16 percent. Major U.S. consumer-oriented products exported in 1991 include fresh, chilled or frozen red meat ($1.4 billion), poultry meat ($149 million), fresh fruit ($409 million), processed fruit and vegetables ($333 million), juices ($90 million), pet foods ($83 million), and wine and beer ($75 million).

While bulk products continue to account for the largest proportion of U.S. exports--49 percent, it is the consumer-oriented high-value products that represent the most promising areas of growth for U.S. exports.

Trade liberalizing agreements for beef, citrus, and juices are coming to fruition. According to the Japanese press, grain fed U.S. chilled beef is a consumer favorite and compares well with Japanese beef. Orange juice quotas ended on April 1st, and rapid increases in sales are expected by the U.S. citrus industry. Record high domestic prices for fresh horticultural products and the devastation brought by typhoons last fall, resulted in increased sales of U.S. fresh fruits and vegetables which set record levels last year.

Recent changes in lifestyle and attitudes among Japanese consumers are being reflected in eating habits. Surveys of younger Japanese reveal that they are more individual-oriented than their community-oriented parents. The emergence of individualism combined with the spread of microwave ovens has led to a growing preference for convenience foods in the home, and increased food purchases away from home. In fact, purchases of meals outside the home climbed 5 percent between 1990 and 1991. This lifestyle shift is opening a window of opportunity for U.S. food processors to enter the Japanese market with microwavable and frozen convenience foods.

Another development affecting imports is a publicity campaign by Japanese producer groups against imported food. The campaign's thrust includes unsubstantiated claims that foreign foods are unsafe because of the use of after-harvest chemicals and additives. This effort seeks to manipulate Japanese consumers' concern about quality.

Despite this development, U.S. export prospects to this important market remain promising. Opportunities appear brightest for U.S. producers of fresh and processed fruit and vegetables, juices, pet food, poultry meat, microwavable foods, ice cream, and frozen french fries.

For more information, contact Robert Tse at (202) 720-1294

Orange Juice Faucet Opens in Japan

On April 1, 1992 Japanese quotas on orange juice imports were lifted as part of the 1988 U.S.-Japan Beef and Citrus Agreement which phased in liberalized trade in beef, oranges, and orange juice. The opening of the orange juice market is a major export opportunity for the U.S. orange juice industry.

Under the former quota regime, U.S. exports grew two and one-half times between 1990 and 1991, accounting for nearly 30 percent of Japanese imports. With liberalization, the U.S. citrus industry expects Japanese orange juice consumption to double to five liters per capita in the near future. Increased consumption, combined with an expected decline in domestic mikan orange juice concentrate production, could lead to tripling of imports to around 130,000 metric tons a year. Currently, cheaper Brazilian frozen orange juice concentrate dominates the import market with a two thirds share.

Further growth is expected through the open door for juice as the U.S. citrus industry reports interest in high quality U.S. orange juice. Orange juice imports will likely repeat the pattern of earlier liberalized juice imports--where initial juice imports rise rapidly and then stabilize at a higher level as supply meshes with demand.

Interested in exporting to Japan? Contact James V. Parker, FAS Counselor. Tel.: (011-81-3) 3224-5000, FAX: (011-81-3) 3589-0793

Product Spotlight: Ornamental Horticulture

Agricultural Trade Highlights' product spotlight continues this month with a look at exports of ornamental products. Global demand for ornamentals has grown sharply, particularly in the industrialized countries of the western hemisphere, where the desire to "say it with flowers" and warm the home or office with plants is greatest. U.S. exporters have responded to this growing demand with record shipments in each of the last six years.

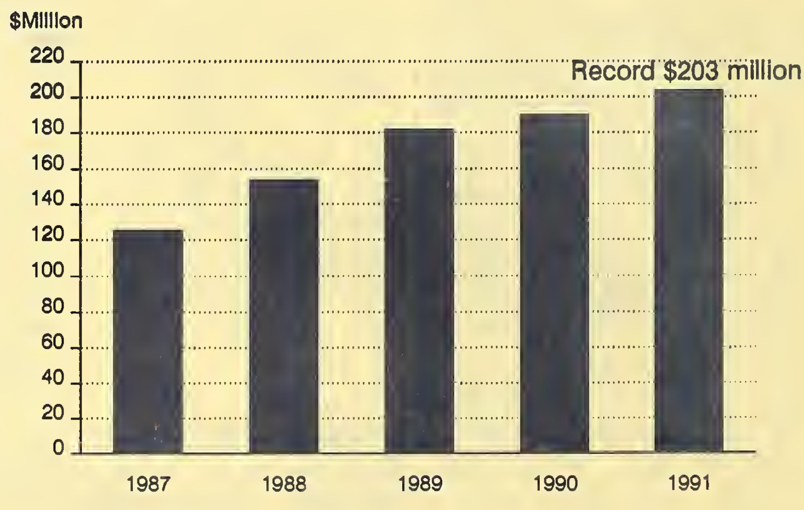
Overcoming stiff competition in the world market, U.S. exports of nursery products and cut flowers have grown from between 5 and 24 percent in each of the last 6 years. 1991's record $203 million in sales abroad was achieved despite sputtering economies in Canada and Germany, two major U.S. ornamental markets. More record exports are expected through the 1990's as world demand for new ornamental products continues to grow.

While most of the $6.5 billion in world ornamental trade is in cut flowers, U.S. exporters are succeeding mostly in niche markets, such as tropical foliage plants and greens used in flower arrangements. Nearly half of all U.S. ornamental exports are *live plants, cuttings, and slips,* with sales totalling $98 million in 1991. However, the second largest group, *cut decorative greens,* is the fastest growing. These exports reached $62 million last year, up from just $30 million in 1987. *Cut flower and flower bud* exports account for most of the remainder, with 1991 sales of $32 million.

Canada Top Market, EC Gaining

Canada topped all U.S. ornamental export markets in 1991 with shipments totalling $105 million, down slightly from $110 million the year before but up from an estimated $72 million in 1987. Nearly half of shipments to Canada are propagating material for flowering plants, such as azaleas, mums, and poinsettias, and tropical foliage plants such as palms and ficus. Other important exports include trees, shrubs, and bushes (with sales totalling $17 million in 1991) and fresh cut flowers and buds ($14 million).

U.S. Ornamental Exports Grow Steadily



Note: U.S. agricultural trade data for ornamental products are aggregated into 4 harmonized system (HS) classifications. In order of classification code they are: (1) *bulbs, tubers, and roots*; (2) *other live plants, cuttings, and slips* (composed primarily of propagating material for plants, tropical foliage plants, and trees, shrubs, and bushes); *(3) cut flowers and flower buds*; and (4) *cut decorative greens* (which are foliage, branches, and other parts of plants, suitable for ornamental purposes. This includes grasses, mosses, and lichens).

While sales to Canada have stagnated, exports to the European Community (EC) have blossomed, reaching a record $64 million in 1991. This marked five straight years of double-digit growth. Unlike the Canadian market, where a wide variety of U.S. ornamentals are sold, exports to the EC are mainly cut decorative greens, with $41 million in sales last year. Tropical foliage plants are the second largest export to the EC, at $6 million in 1991. Though relatively small, these exports were up 50 percent from the year before and continued double-digit growth is expected through the mid-1990's.

Cut decorative green shippers report that sales to the EC are strong due to the Europeans' extraordinary per capita demand for flowers. Flowers play a much greater role in European life than in other parts of the world, as evidenced by the many street vendors and large floral departments in supermarkets throughout the continent. However, competition to satisfy the European demand for the decorative greens that adorn the flower arrangements is keen. Trade within the EC accounts for roughly half of EC decorative green imports while nearly 20 countries compete for the remainder. The top suppliers outside the EC are the U.S., accounting for 22 percent of EC imports, and fast-growing Central America, with a 15 percent share, up from 9 percent in 1989.

Jan van Doesberg, Director of the Dutch Flower Auctions, where much of European cut decorative green imports are traded, says the recent trend towards variety in world decorative green trade will continue. While the top seller may still be the leatherleaf fern - the common, flat green used as a background in floral arrangements - European floral arrangements are changing rapidly requiring new greens. European designers of mixed bouquets are perhaps the most creative in the world and are highly skilled at satisfying an emerging consumer demand for a variety of looks.

Among the alternative greens, Florida shippers report that tree ferns, which are fuller and softer than the leatherleaf and can be used within an arrangement, have received the most attention. Van Doesberg says that dry grasses are also becoming more important. In addition to product variety, European importers are looking for suppliers who can ship high-quality decorative greens year-round.

U.S. Plants Getting Attention

Tropical foliage plant shippers are also confident about future sales growth. Sales to Canada have jumped 30 percent since 1988 - to $23 million import value - despite a slumping economy. The European market, which became significant only during the past couple of years, has been bolstered by a growing number of U.S. firms opening offices on the continent and importing U.S. plants.

Most U.S. foliage plant exports are used within interiorscapes in commercial property, such as shopping malls, office complexes, and airports. The American Horticultural Marketing Council reports that these markets were developed firstly by educating overseas interiorscape architects about the benefits of U.S. foliage plants. In Canada, new shopping malls and office complexes are now typically designed with large - usually American - tropical foliage plants in mind.

Japan: New Market on the Rise

Although still small, another growing ornamental export market for U.S. shippers is Japan, where shipments reached a record $9.4 million in 1991. This more than doubled 1987 exports of $4.5 million. Nearly half of U.S. exports to Japan are cut flowers, while most of the remainder are decorative greens. Japanese floral design tastes became westernized during the past decade spurring a boom in imports. Total cut flower and foliage imports, primarily from Holland, reached $132 million in 1991, up from $18 million in 1983.

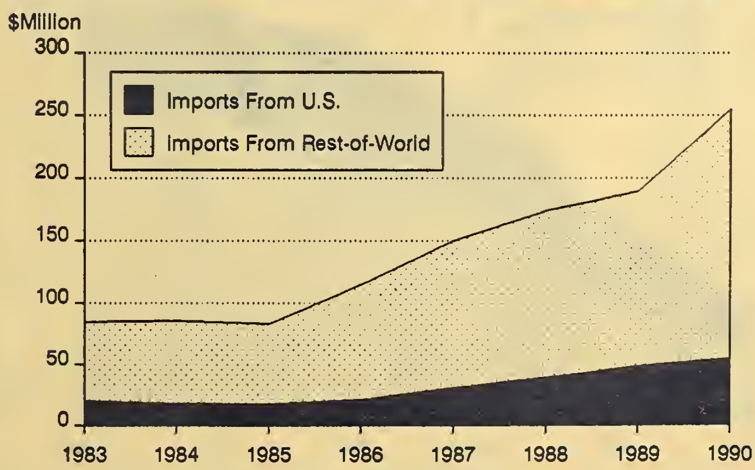
The top U.S. flower export to Japan are anthiriums, a niche flower in a market dominated by roses, chrysanthemums, and orchids. Currently, hotels are the largest outlet for U.S. flowers in Japan, although shippers expect future growth to depend on home sales as more Japanese take on the western tradition of giving flowers as gifts. The gift flower sector in Japan was boosted just five years ago by the opening of the Japanese equivalent of the U.S. florists transworld delivery (FTD). Home sales also depend on flower designing, a traditional art form practiced by housewives in Japan. One shipper from Hawaii is marketing to Japanese design schools to spur interest in anthiriums as a design flower.

U.S. shippers are also flourishing in the small but rapidly growing cut decorative greens market in Japan. U.S. product accounted for nearly two-thirds of the record $9 million in Japanese cut decorative green imports last year. These imports were more than double sales in 1988. According to one Florida leatherleaf fern exporter, U.S. shippers dominate the market by regularly meeting rigid Japanese standards which require high quality, consistently sized decorative greens. Growing westernized floral consumption habits in Japan are expected to bolster future sales of U.S. cut decorative greens.

The U.S. ornamentals with the most export growth potential tend to be products relatively new to the world marketplace. U.S. exporters predict that as more buyers in world marekts are introduced to these products, U.S. sales abroad will continue to grow.

For more information, contact Mike Woolsey, (202)-720-1294.

U.S. Strong Competitor in EC Decorative Green Import Market With Over 20-Percent Share



Note: EC imports include intra-EC trade

U.S. Agricultural Imports Up 4 Percent at FY 1992 Midpoint

At $11.8 billion, U.S. agricultural imports for the first two quarters of fiscal 1992 are 4 percent ahead of the same time last year. While growth has flattened for competitive imports, noncompetitive imports surged 10.5 percent during this period. On May 29, USDA revised its 1992 forecast for U.S. agricultural imports. By raising its estimate by $1 billion, USDA forecasts 1992 imports to rise $400 million from last year's level to a record $23 billion.

Shipments from the European Community (EC), the top supplier of U.S. agricultural imports, total $2.3 billion so far this fiscal year, roughly unchanged from 1991. Italy, France, Germany, and the United Kingdom continue to be growing suppliers of agricultural products to the United States, while the Netherlands, Denmark, and Spain have fallen somewhat behind last year's pace. Increased imports from the EC of apple juice concentrate, processed wheat products, and cheese offset falling wine and pork sales. EC pork supplies--mostly from Denmark--have dropped $46 million from their year-ago level to $126 million and imports of EC wine continue to suffer from a weak dollar which makes them less competitive vis-a-vis their U.S. counterparts.

Agricultural imports from Canada for the first half of 1992 are almost 16 percent ahead of last year at $1.9 billion. The gain is led by a $100-million increase in shipments of live animals to $444 million and a $30-million increase in fresh beef and veal to $133 million. While pork shipments declined by $38 million, grain and feed products rose 19 percent--led by wheat, barley, and corn.

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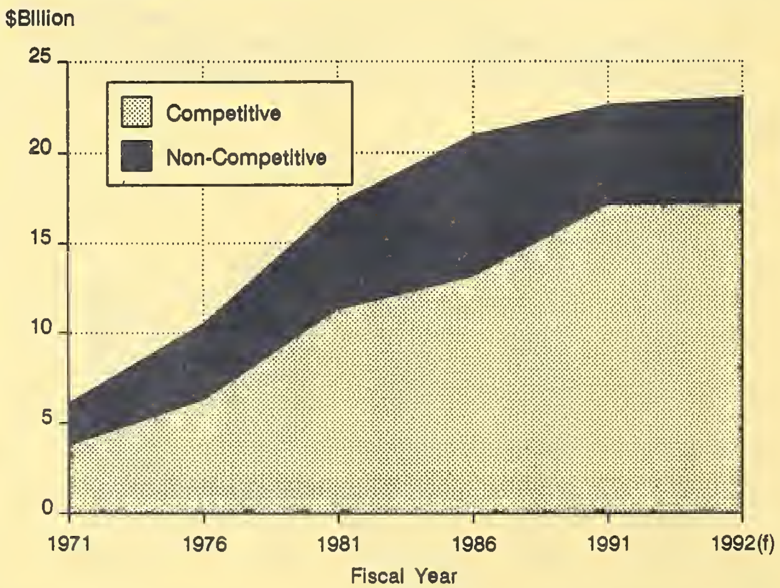
Non-Competitive Products Expected to Boost Total Imports in 1992



Imports from Mexico of $1.2 billion are 12 percent behind the first 6 months of 1991, mostly due to crop damage caused by excessive rainfall in the west coast region. Fresh vegetables, which account for nearly one-third of all U.S. imports from Mexico, have been the hardest hit by inclement weather resulting in lower imports and higher U.S. retail vegetable prices. Imports of fresh Mexican vegetables, including tomatoes, now total $345 million, are 20 percent behind 1991 and represent the lowest share of the U.S. market for Mexican growers in the last 5 years.

Imports from Brazil declined 5 percent to $720 million, mostly due to a drop in Brazilian coffee prices and cocoa shipments. Spurred by depressed world coffee prices, Brazil has been involved with efforts for a new International Coffee Agreement which could set global quotas on coffee.

Brazil continues to be the largest supplier of U.S. orange juice imports with shipments totalling $178 million so far this year. This is a 22-percent increase over imports last year at this time. Although the Florida orange juice industry has recovered well from the December 1989 crop freeze, juice orange production is forecast to be slightly lower this year compared to 1991, raising the demand for juice imports from Brazil.

For more information, contact Karen Halliburton at (202)-1294

Noncompetitive imports do not compete with U.S. production and include: bananas/plantains, coffee (incl. processed), cocoa (incl. processed), rubber/allied gums, spices, essential oils, tea, and carpet wools.

U.S. Agricultural Imports

Monthly Performance Indicators and Fiscal Year–to–Date Comparisons

By Commodity ($Millions)	March 1991	March 1992	% Change	October–March 1990/91	October–March 1991/92	% Change
Fruits and vegetables	776.3	818.8	5.5%	4,223.3	4,401.7	4.2%
Bananas and plantains	81.4	109.4	34.4%	459.5	515.7	12.2%
Other fresh fruits	124.6	117.0	−6.1%	415.6	438.3	5.5%
Fruit and veg. juices	51.7	73.9	43.1%	359.3	466.9	29.9%
Edible tree nuts	23.6	25.6	8.5%	241.6	217.2	−10.1%
Wine and wine products	66.5	80.0	20.3%	510.6	503.0	−1.5%
Sugar and tropical products	467.4	520.6	11.4%	2,863.1	3,016.7	5.4%
Sugar & related products	87.9	77.7	−11.6%	533.3	462.2	−13.3%
Cocoa & cocoa products	78.6	93.0	18.3%	503.9	633.0	25.6%
Coffee & coffee products	171.6	181.2	5.6%	1,010.2	1,026.9	1.6%
Spices	24.7	32.4	31.1%	161.3	187.1	16.0%
Rubber & allied products	60.0	68.6	14.4%	337.5	371.6	10.1%
Livestock and products	383.3	411.1	7.2%	2,361.4	2,269.0	−3.9%
Live animals	105.3	131.6	25.0%	649.6	673.9	3.7%
Beef and veal	154.0	163.7	6.3%	931.7	915.3	−1.8%
Pork	77.0	53.6	−30.3%	451.5	324.0	−28.2%
Grains and feeds	103.0	129.6	25.8%	650.0	740.7	13.9%
Oilseeds and products	82.3	94.3	14.6%	460.1	494.0	7.4%
Cotton and products	18.5	29.0	57.3%	88.9	108.8	22.4%
Tobacco products	58.5	53.5	−8.5%	305.0	358.8	17.6%
Dairy and poultry products	62.7	66.9	6.7%	431.2	459.1	6.5%
Agricultural Total	1,960.9	2,123.9	8.3%	11,383.1	11,848.9	4.1%

By Region ($Millions)	March 1991	March 1992	% Change	October–March 1990/91	October–March 1991/92	% Change
EC−12	346.3	372.5	7.6%	2,273.2	2,288.8	0.7%
Italy	49.2	69.1	40.3%	393.1	419.1	6.6%
France	56.0	66.6	19.1%	379.0	396.4	4.6%
Netherlands	67.5	67.8	0.4%	397.0	367.4	−7.5%
North America	602.6	605.5	0.5%	3,004.4	3,093.4	3.0%
Canada	283.7	355.5	25.3%	1,615.1	1,864.8	15.5%
Mexico	318.9	250.0	−21.6%	1,389.2	1,228.4	−11.6%
South America	311.0	347.8	11.8%	1,951.2	2,030.4	4.1%
Brazil	84.0	113.1	34.5%	762.1	720.8	−5.4%
Chile	78.7	80.4	2.2%	260.1	290.1	11.5%
Asia	223.4	280.2	25.4%	1,363.5	1,574.7	15.5%
Indonesia	56.2	68.4	21.7%	340.9	409.2	20.0%
Thailand	40.3	60.3	49.6%	226.3	314.1	38.8%
Oceania	148.2	160.8	8.5%	972.3	890.2	−8.5%
Australia	74.6	84.6	13.4%	601.2	507.9	−15.5%
New Zealand	71.0	72.4	2.0%	359.1	361.4	0.6%
Central America	140.7	165.7	17.8%	675.1	732.3	8.5%
Middle East	40.5	26.7	−34.1%	217.7	232.4	6.8%
Africa	38.0	51.7	36.1%	233.8	327.3	40.0%
Other West Europe	33.8	32.8	−3.0%	200.1	186.0	−7.1%
Fmr. Sov. Union	0.6	3.9	542.0%	8.1	8.8	8.6%
E. Europe	27.2	23.865	−12.1%	173.2	163.4	−5.6%
South Asia	20.6	22.6	9.8%	143.6	162.3	13.0%
Caribbean	25.1	24.8	−0.9%	144.3	121.2	−16.0%
North Africa	3.0	4.9	62.8%	22.7	38.1	67.5%
World Total	1,960.9	2,123.9	8.3%	11,383.1	11,848.9	4.1%

Trade Policy Updates

Taiwan's 1992 Tariff Reduction Bill

Taiwan's Ministry of Finance has begun drafting the 1992 Tariff Reduction Bill with a goal of reducing average nominal and effective tariff rates to the levels stated in the Trade Action Plan. The proposed Bill is expected to be submitted to the Executive Yuan in September 1992 and then to the legislative Yuan. The Bill is expected to propose utilizing seasonal adjustments on tariff rates for certain agricultural products and, for the first time, tariff rate quotas for certain major industrial and agricultural imports. It is understood that the use of tariff quotas by the EC and Japan led Taiwan to consider adopting the system.

President's Export Council Recommends Relaxation of U.S. Trade Embargo on Vietnam

In a letter to President Bush, private-sector members of the President's Export Council recommended that the United States begin efforts to relax the current trade embargo on Vietnam. The Council specified immediate steps which would be taken, including elimination of currency exchange restrictions, permitting U.S. telecommunications companies to develop trade "links" with Vietnam, and allowing exports of American agricultural goods and other items that may meet basic human needs.

United States Acts to Resolve Oilseeds Dispute With EC

Deputy U.S. Trade Representative Rufus Yerxa announced on April 30 the intention of the United States to raise tariffs affecting $1 billion of imports from the EC because of the EC's failure to reform adequately oilseed subsidies harmful to U.S. oilseed exporters. (The United States estimates that the US industry loses $1 billion annually because of these subsidies.)

After a GATT panel ruled in 1989 in favor of the United States, the EC agreed to modify its oilseeds policies to comply with the GATT panel's recommendations. However, the same panel found earlier this year that the EC's modifications were unacceptable and recommended that the EC move expeditiously to change its oilseed regime.

Before tariffs are raised, the Office of the U.S. Trade Representative must publish in the Federal Register a proposed list of EC products on which increased tariffs may be applied. When published, the list will remain open for public comment for at least 30 days.

When making the announcement, the Deputy U.S. Trade Representative said that, "As we go forward with this process, we earnestly hope for a resolution of this dispute that will make it unnecessary for the United States to impose retaliatory tariffs. We note the EC's comments in the GATT Council that it may have a proposal in the future, and we remain receptive to it."

Austrian Authorities Fail to Meet Deadline for Issuing Meat Import Licenses

A U.S.-Austria agreement provides for an annual Austrian quota of approximately 600 tons of high quality U.S. beef. However, for this year, Austrian officials have not yet issued licenses. Many importers have had to cancel all orders under the agreement because the quota has not been allocated. Trade in high-quality beef between the Unites States and Austria has effectively been halted. The Government of the United States has urged the Government of Austria to issue the licenses.

The Government of Costa Rica Announces Tariff Reductions

Effective April 10, 1992, the GOCR published its schedule for tariff reductions to occur during 1992. These reductions are consistent with the Central American Common Market goal of reaching a maximum 20 percent tariff on all products by April 1993. These reductions should benefit U.S. exports of breakfast cereals, canned fruits and vegetables, fruit juices and beer. Also, on April 8, 1992, the GOCR announced that it would eliminate import permits for some types of beef and beef products.

Philippines Announces Plan to Liberalize Corn Imports

Prompted by the Uruguay Round negotiations, the government of the Philippines has announced a plan to liberalize corn imports by replacing the current quantitative restrictions with a tariff-rate quota (i.e. tariffication). Under the new plan, the existing import barrier for corn would be replaced with a 20-percent duty on an import volume equivalent to 3 percent of domestic consumption. Corn imports beyond that level would be charged a 100 percent ad valorem duty. In response to the new tariff scheme, imports of feed corn by the Philippines are expected to average 75,000 tons annually

Materials Available

- Export Enhancement Program (Reprinted April 1992)
- Chronology of Grain Trade With the Former Soviet Union (April 16, 1992)
- Status of Assistance to the Former Soviet Union (April 13, 1992)
- Working Toward a North American Free-Trade Agreement (March 1992)
- Sunflowerseed Oil Assistance Program and Cottonseed Oil Assistance Program (March 1992)
- Agricultural Trade Policy and Trade for Central and Eastern Europe (Albania, Bulgaria, CSFR, Hungary, Poland, Romania, Yugoslavia) -- March 1992
- Market Promotion Program (MPP) -- Revised February 1992
- Technical Assistance to the Commonwealth of Independent States (January 1992)
- The Attache Educational Program (December 1991)
- Opportunities in Taiwan's Food and Beverage Industry (February 1992)
- Changes and Opportunities in the Hungarian Food Marketing System (October 1991)

The Trade Policy Updates are prepared monthly by the Trade Assistance and Planning Office, Foreign Agricultural Service, U.S. Department of Agriculture. Interested U.S. parties may send requests for copies of materials listed above to the Trade Assistance and Planning Office, 3101 Park Center Drive, Suite 1103, Alexandria, VA 22302. Tel: (703) 305-2771, FAX: (703) 305-2788.

Market Updates

Argentina Sorghum Returns to Mexican Market

Argentina recently sold 60,000 tons of sorghum to Mexico at a reported $8 per ton discount from U.S. sorghum. For the past 3 years, the United States has been the sole supplier of Mexico's 3-plus million ton sorghum import requirements. Argentina's sorghum export availability is at its highest level since the mid-1980s.

Korea Tightens Country-of-Origin Labeling Requirments

Effective April 1, 1992, Korea began requiring a country-of-origin marking for 530 industrial and agricultural items, based on 4-digit Harmonized System categories. Among the products affected are fruits, vegetables, fruit juices, nuts, and natural honey. The Government of Korea moved recently to tighten the requirements by eliminating certain exceptions and adding new conditions. For example, products imported for use or consumption by an importer without intention of sale or advertisement are no longer exempt from the labeling requirement. The government regulations require, "in principal," that all products be subject to the new requirement. Therefore, the list of items required to bear the country of origin label could be expanded at any time with little advance notice given that the legal authority is already in place.

UK Sources Predicting EC Beef Sales to Japan

The Meat and Livestock Commission of Great Britain recently reported that the United States and Australia will not be able to keep pace with the growth in Japan's beef market and explained recent EC moves toward revoking its previous assurances that subsidized EC beef would not be exported to Japan. The report suggests that a recent trip to Australia by the Danish Minister of Agriculture may pave the way for the end of this agreement. This report raises concerns among both U.S. and Australian suppliers to the Japanese and other Asian beef markets. FAS analysts see no reason why current suppliers would not be able to keep pace with the growth in the Japanese market. Additionally, the report suggests that the Australians were sympathetic to the Danish efforts to open up the market. However, after the Danish Minister's visit, the Australian Minister for Trade and Overseas Development issued a press release strongly opposing subsidized EC beef exports to Japan.

Indonesia Suspends Salmonella Testing Requirement

The Government of Indonesia (GOI) has announced that it will suspend the current regulation requiring a zero tolerance level of salmonella bacteria in fresh and frozen poultry meat imports. This development will allow the resumption of U.S. shipments of poultry meat to Indonesia, which have been severely curtailed since the implementation of salmonella testing in November 1991. The previous regulation amounted to a de facto ban on imports of poultry meat, as nearly all raw poultry meat has at least a small concentration of salmonella bacteria. Prior to the ban, Indonesia had been a rapidly expanding market for U.S. poultry meat. In 1989, Indonesia purchased only 37 tons of U.S. poultry meat, but shipments increased to 134 tons in 1990 and 148 tons in 1991. FSIS and FAS officials were instrumental in persuading the GOI to lift the zero tolerance regulation.

U.S.-EC Canned Fruit Agreement Clarified

On April 14, EC Commissioner MacSharry and U.S. Trade Representative (USTR) Hills signed an Exchange of Letters that clarifies the sources of world price data and the exchange rates used in the U.S.-EC Canned Fruit Agreement. During the 1991/92 marketing year, there was a discrepancy of approximately $1 million between the U.S. and EC calculations used to determine the EC processing subsidies for canned fruit. The Exchange of Letters should prevent such problems from occurring in the future. However, the issue of non-compliance in the current marketing year remains unresolved. USTR notified the EC in December 1991 of the U.S. intention to take retaliatory action against the EC to compensate for the EC's over-subsidization of canned fruit processors.

...Market Updates

Republics of the Former Soviet Union (FSU) Make Cash U.S. Rice Purchase

The Former Soviet Union (FSU) recently purchased 15,000 tons of rice under the EEP, marking the first cash purchase of U.S. grain by the USSR or FSU since December 1990. This was the third FSU rice purchase under the EEP, bringing total U.S. sales to 40,000 tons. Earlier rice sales were made under recent GSM-102 tranches. The FSU is expected to nearly double its total rice imports this year to 800,000 tons, the largest amount since 1981.

Zimbabwe Looks to Import 160,000 Tons of Soybeans and 12,000 T ons of Vegetable Oil

The Government of Zimbabwe (GOZ) estimates that it will need to import 160,000 tons of oilseed this year. Due to drought conditions, Zimbabwe will import oilseeds and vegetable oils for the first time since local marketing year 1986/87, when such imports were outlawed. GOZ's Grain Marketing Board hopes to import soybeans to meet most of the oilseed requirement. Approximately 7,000 tons of commercial vegetable oil imports have reportedly been authorized.

More Restrictions on Imports of U.S. Corn Gluten Feed by The EC

On April 15, Irish Customs authorities requested that Ireland's largest importer of corn gluten feed (CGF) pay a deposit on a 18,275 tons shipment of U.S. CGF, prior to unloading in Dublin harbor. Irish Customs requested a deposit of about $2 million. Irish Custom's authorities say that this deposit is required until the shipment has been analyzed and its constituents are determined. This detention is in addition to a 7,000 tons cargo of U.S. CGF detained from an earlier arrival in Dublin, which has yet to be released.

This action appears to be similar to a recent similar detention in Amsterdam, and in contradiction to the memorandum of understanding (MOU) signed by the EC and the United States on Oct. 15, 1991. The MOU specifies the conditions of duty-free imports of CGF into the EC.

Crowds at Tokyo's Great American Food Show Exceed Expectations

Over 12,000 Japanese trade representatives stopped by the Great American Food Show during its 3-day run, April 14-16, far exceeding the ATO's pre-show attendance projection of 10,000 visitors. Exhibitors reported on-site sales of $3.3 million, double the sales amount reported at last year's FOODEX show in Tokyo. GAF provided some 149 exhibitors an economical opportunity to showcase and test market some 870 high value food and beverage products in Japan. Exhibitors reported making an average number of 15 promising trade contacts at the show.

Policy Group Considers Polish Deficit and Privatization in Eastern Europe

On April 22, the Eastern European Coordinating Group on Policy Planning/Macroeconomic Analysis/Financial Assistance met at the Department of Treasury to discuss balance of payments financing in Poland in 1992 and privatization in Eastern Europe. The high-level group did not reach consensus on financing Poland's deficit or on how to expedite the process of large-scale privatization, but on the latter it was decided that those interested would draft a response to the Department of Treasury's discussion draft within the next 2 weeks.

Heavy U.S. Corn Sales Expected to South Africa

South Africa, forecast to import 4.5 million tons of corn over the next 12 months due to a severe drought, has reportedly purchased 1.4 million tons of U. S. corn in the past 30 days. South Africa began tendering for corn in February and subsequently purchased 1 million tons almost evenly divided between the United States and Argentina.

However, because of concern over aflatoxin levels in Argentine corn, South Africa is not expected to purchase additional Argentine corn. Additional U.S. sales are expected, although recent Brazilian actions to change export taxes could facilitate shipments from that country as well.

...Market Updates

New Emerging Democracies Activities Approved for FY 92

Under Secretary Crowder approved the following initiatives under the Emerging Democracies for this fiscal year: a wholesale markets assessment team to Czechoslovakia, a poultry/dairy feed assessment team to Estonia, Lithuania and Latvia, the recruitment and placement of a resident agricultural policy advisor in the Russian Republic, and a private sector study of investment and trade possibilities in Hungary's agricultural sector. Also under the program, FAS, in cooperation with OICD, is developing extensive training programs in the United States for bankers and members of the board of directors of selected banks in Czechoslovakia most concerned with agricultural lending, and selected farm managers, also from Czechoslovakia. The training is expected to take place in June and July. Another USDA program will provide training in fresh fruit and vegetable markets to produce marketers from Bulgaria.

Canadian Permit Requirements on U.S. Barley to Remain

A recent required yearly review under the U.S.-Canadian Free Trade Agreement indicated that government support levels for U.S. barley producers exceeded those for Canadian producers, thus allowing Canada to maintain import permit requirements on U.S. barley products. Under the Free Trade Agreement, Canadian import permits on U.S. barley must be suspended when Canadian government supports are equal to or higher than those of the United States. Last year similar permit requirements for U.S. wheat shipped to Canada were removed after a review found Canadian wheat producer supports exceeded American support levels. However, the Canadian wheat import permit requirement was promptly replaced with an end-use certificate requirement, severely limiting the competitiveness of U.S. grain in Canada.

Surinam Rice Competing With the United States in EC Market

A new trade channel has apparently developed whereby large quantities of Surinam rice are entering the EC market using a loophole in the EC import levy system. The so-called "Curacao Connection" may partly explain why U.S. rice commitments to the EC are 100,000 tons behind the year-ago level. Curacao (Netherlands Antilles) imports rice from Surinam at half the normal import levy because Surinam enjoys preferential trade status with the EC. As a Netherlands territory, Curacao can re-export the rice to the EC without any additional import levy charges. Reportedly, this rice is being offered to European mills at as much as a $225/ton discount from normal levels. The EC rice industry is reportedly pressuring the EC Commission to put an end to this loophole. The United States usually exports over 300,000 tons of rice yearly to the EC.

EC Veterinary Checks on Third-Country Imports May Affect U.S. Exports

European Community Directive 90/675 governing the veterinary inspection of dairy, livestock, and poultry product imports takes effect July 1, 1992. According to FSIS, the directive may limit the capacity of EC ports to manage the inspection of these imported products. This could slow U.S. exports into the EC. The new rules require the documentation, identification, and inspection of each consignment entering the EC from third countries, including products that are in transit within the EC. The directive has caused alarm in the United Kingdom where meat traders fear anticipated trade disruptions will more than offset any improved health status of imports. The EC is to discuss the Directive's implementation in Brussels in May and June. The United Kingdom has support from the Netherlands and Germany for reliance on seals and veterinary certificates as an alternative to opening containers. Italy however emphasizes the need for inspecting every consignment. Major EC ports already have veterinary inspection systems similar to those required by the directive. The inspection costs incurred from the directive will fall on the importer. Germany currently operates the directive's inspection system at a fee of $150 per ton.

ITC Rules Affirmative on New Zealand Kiwifruit Dumping in The United States

On May 15, the International Trade Commission (ITC) reportedly voted unanimously that the U.S. domestic kiwifruit industry has been materially injured by imports of New Zealand kiwifruit. As a result, the Department of Commerce will instruct the U.S. Customs Service to impose a 98.6-percent duty on all entries of New Zealand kiwifruit. ITC will publish its decision by the week of May 26, 1992.

Russia to Allow Imports of U.S. Potatoes

Russia will soon begin issuing import permits for potatoes (excluding seed potatoes) originating in the United States, in response to efforts by FAS, APHIS, and U.S. industry representatives, according to the chief of Plant Quarantine for the Russian Federation. Imports will be limited to large industrial population centers in the "northern regions" of the country. On April 30, 1992, APHIS issued phytosanitary note #532, which explains to its field officers the conditions that must be satisfied for shipments of potatoes to Russia. It is the understanding of APHIS that the import permits will require Federal Phytosanitary Certificates that address six specific conditions/organisms.

Brazilian Broiler Production Expands Sharply

Brazil's 1992 broiler production is forecast at almost 3 million tons, 10 percent above the 1991 level, according to the U.S. agricultural counselor in Brasilia. A similar growth rate is forecast for 1993. Although producers face tight profit margins, plentiful supplies of corn and soybeans are creating a degree of optimism. Most of the production increases are being used by the domestic market, as the continuing recession forces more and more consumers to switch from higher-priced beef and pork. Broiler exports in 1992 are expected to remain at the record 1991 level but are forecast to show further growth in 1993.

Wholesale Market Program Begins

Implementation of the Wholesale Markets Program began last Saturday, May 17, when Dr. Wes Kreibel (AMS) and Paul Fuller (AMS) went to Moscow to coordinate and solidify relations with cooperating organizations that will work with the five upcoming teams. The teams will address the following issues-- wholesale market operations, market news, standards and grades, packaging and handling techniques for fruits and vegetables, and a training program for commodity exchange executives and traders. The program will operate in Moscow from May through mid-September.

Wheat Production Recovery Projected for Australia

Australian outyear wheat production is forecast at 15.7 million tons, up almost 60 percent from last year's drought-affected crop, according to a recent Australian Bureau of Agriculture and Resource Economics report. With planting under way, the production area is expected to expand 30 percent as a result of the recovery from the drought and some switching from alternative crops to wheat. Currently, yield prospects are estimated to be higher than average, since the growing areas have received adequate rainfall. USDA forecast Australian 1992/93 production at 15.5 million tons in the May lockup.

Privatization of Mexican Wheat Imports

Private importers in Mexico have recently been authorized to import 600,000 tons of wheat, and authorization for another 600,000 tons is anticipated several months later. This development is significant not only because Mexico is typically self-sufficient in wheat, but because imports, when needed previously, were handled by CONASUPO. Although USDA's current forecast for Mexico's July/June 1992/93 wheat imports is 600,000 tons, the AgCounselor's Office indicates that very little of these private imports may come from the United States because of low prices being offered by other suppliers.

...Market Updates

Economic/Political Conditions in East Europe May Cut Grain Use

May's lock-up forecasts for 1992/93 suggest how economic and political conditions in East Europe are affecting grain usage in the region. Total wheat and coarse grain use is projected to decline by about 7 million tons from estimated 1991/92 levels. The transition to privatization of farms, the weak financial situation of many farms, rising cost of inputs, and political turmoil are among the factors contributing to the expected 16-million ton decline in East European grain production from the 1991/92 level. With foreign exchange availability for imports tight, utilization is projected to drop to the lowest level in over a decade.

Switzerland Bans Caged Layer Eggs Production

Since the completion of a 10-year phase-in period in January 1992, Switzerland has been the only country in Europe, and probably the world, to ban totally the production of eggs by caged layer hens. Imports of caged-layer-produced eggs are permitted, but only after all domestically-produced eggs have been purchased. Since the ban, Swiss egg production has declined steadily while imports have gone up to their current rate of a 2-percent increase per month. While foreign eggs are about one-half the price of domestically produced eggs, retailer's collective pricing practices result in less than a 50 percent price differential to consumers.

New Zealand Dairy Board Increases Investment in Mexico

In a vote of confidence in the Mexican economy, the New Zealand Dairy Board has bought out the 51-percent share held by its Mexican joint venture partner, Arancia. The new company, renamed New Zealand Milk Products (Mexico), will continue to concentrate on casein, butter, and milk powder. Total sales from New Zealand to Mexico, including to such major accounts as Conasupo and Nestle, are expected to top NZ$150 million in 1992/93.

A.I.D. Funding of Extension Service Project in Armenia

A.I.D. has agreed to fund all of the Extension Service's 3-year $3.75 million-project in Armenia. The program was previously scheduled to start on June 1, but due to the delay in funding, the two Extension Service advisors now plan to leave for Armenia by July 1.

USDA Amends FY 92 GSM-102 Programs for Colombia and El Salvador

On May 19 the USDA amended the credit guarantee programs for Colombia and El Salvador. Guarantees to Colombia were reduced by $40 million, from $100 million to $60 million. The credit lines for wheat, feed grains, fresh fruits, powdered milk, oilseeds, poultry breeder stock, rice and vegetable oils were all reduced. The undesignated allocation was increased by $1.2 million to approximately $2.1 million and the lines for hides and skins, protein meals, and dried pulses were eliminated.

The USDA reallocated and reduced El Salvador's GSM-102 credit guarantees. The reallocation increased the tallow and/or grease line by $1 million, from $8 million to $9 million, and increased the vegetable oils line by $4 million from $1 million to $5 million. The protein meals line was reduced by $4 million, from $9 million to $5 million, and the $9 million feed grains line and the $2 million rice line were eliminated. The total fiscal 1992 GSM-102 allocation for El Salvador was reduced from $30 million to $20 million.

USDA Announces GSM-102 Export Credit Gurantees for Sales to Russia for FY 92

On May 20 Secretary Madigan announced the allocation of $600 million in GSM-102 guarantees to Russia. Of the $600 million, $300 million is allocated effective immediately, and two tranches of $150 million each will be made available on or around July 1 and August 1. The commodity breakdown for the $300 million allocation is $112 million for wheat, $78.5 million for feed grains, $26 million for protein meals, $13.85 million for tallow, $6.4 million for vegetable oil, and $24.75 million unallocated.

U.S. Agricultural Exports by Major Commodity Group

Monthly and Annual Performance Indicators and Fiscal 1992 Forecasts

	March			October–March			Fiscal Year		
	1991	1992		1990/91	1991/92		1991	1992(f)	
	––Bil.$––		Change	––Bil.$––		Change	––Bil.$––		Change
Grains & feeds 1/	1.257	1.200	–5%	6.502	7.245	11%	12.544	13.5	8%
Wheat & Flour	0.309	0.382	24%	1.482	2.380	61%	3.058	4.4	44%
Rice	0.064	0.071	11%	0.418	0.399	–5%	0.752	0.7	–7%
Feed grains 2/	0.620	0.480	–23%	3.015	2.834	–6%	5.653	5.4	–4%
Corn	0.530	0.374	–29%	2.568	2.225	–13%	4.872	4.5	–8%
Feeds & fodders	0.170	0.173	2%	0.965	1.055	9%	1.926	NA	NA
Oilseeds & products	0.601	0.607	1%	3.244	4.400	36%	5.691	7.2	27%
Soybeans	0.408	0.388	–5%	2.115	2.805	33%	3.464	4.2	21%
Soybean meal	0.097	0.092	–5%	0.532	0.739	39%	0.978	1.2	23%
Soybean oil	0.010	0.029	180%	0.064	0.166	158%	0.192	0.3	56%
Other vegetable oils	0.031	0.036	18%	0.204	0.230	13%	0.412	NA	NA
Livestock products	0.445	0.500	12%	2.853	2.992	5%	5.545	5.6	1%
Red meats	0.199	0.244	23%	1.255	1.413	13%	2.481	NA	NA
Hides & Skins	0.122	0.122	0%	0.770	0.654	–15%	1.439	NA	NA
Poultry products	0.091	0.107	17%	0.495	0.617	25%	1.007	1.2	19%
Poultry meat	0.069	0.075	10%	0.364	0.457	25%	0.726	NA	NA
Dairy products	0.028	0.067	142%	0.142	0.351	148%	0.367	0.6	63%
Horticultural products	0.489	0.606	24%	2.921	3.423	17%	6.020	6.8	13%
Unmanufactured tobacco	0.129	0.193	49%	0.825	0.815	–1%	1.533	1.5	–2%
Cotton & linters	0.388	0.263	–32%	1.808	1.360	–25%	2.619	2.3	–12%
Planting seeds	0.068	0.052	–24%	0.409	0.445	9%	0.625	0.7	12%
Sugar & tropical products	0.126	0.137	9%	0.822	0.870	6%	1.582	1.7	7%
Forest Products 4/	0.566	0.589	4%	3.162	3.299	4%	6.419	NA	NA
Total Ag. export value	3.629	3.731	3%	20.069	22.552	12%	37.533	41.0	9%
	––MMT––		Change	––MMT––		Change	––MMT––		Change
Grains & feeds 1/	10.118	8.238	–19%	49.987	53.180	6%	NA	NA	NA
Wheat	3.055	2.804	–8%	13.259	19.669	48%	26.691	34.5	29%
Wheat flour	0.124	0.090	–27%	0.473	0.378	–20%	1.074	0.9	–16%
Rice	0.201	0.204	2%	1.439	1.192	–17%	2.418	2.1	–13%
Feed grains 2/	5.591	4.046	–28%	27.953	25.040	–10%	51.802	48.2	–7%
Corn	4.787	3.151	–34%	23.709	19.506	–18%	44.496	40.0	–10%
Feeds & fodders	0.949	0.941	–1%	5.690	5.869	3%	11.397	11.8	4%
Oilseeds & products	2.447	2.443	–0%	12.861	17.755	38%	NA	NA	NA
Soybeans	1.790	1.722	–4%	9.196	12.606	37%	15.139	18.8	24%
Soybean meal	0.487	0.452	–7%	2.645	3.430	30%	4.648	5.8	25%
Soybean oil	0.015	0.061	316%	0.097	0.355	267%	0.354	0.6	69%
Other vegetable oils	0.044	0.059	33%	0.311	0.353	13%	NA	NA	NA
Livestock products 3/	0.200	0.246	23%	1.096	1.340	22%	NA	NA	NA
Red meats	0.060	0.071	17%	0.367	0.430	17%	0.744	0.9	21%
Poultry products 3/	0.063	0.071	12%	0.335	0.414	24%	NA	NA	NA
Poultry meat	0.061	0.068	11%	0.321	0.397	24%	0.614	0.7	14%
Dairy products 3/	0.017	0.038	122%	0.088	0.196	122%	NA	NA	NA
Horticultural products 3/	0.416	0.557	34%	2.587	2.970	15%	5.048	5.9	17%
Unmanufactured tobacco	0.025	0.027	8%	0.136	0.131	–3%	0.239	0.2	–16%
Cotton & linters	0.245	0.186	–24%	1.101	0.906	–18%	1.598	1.6	0%
Planting seeds	0.038	0.052	35%	0.269	0.415	54%	NA	NA	NA
Sugar & tropical products 3/	0.075	0.093	25%	0.556	0.546	–2%	NA	NA	NA
Total Ag. export volume 3/	13.64	11.95	–12%	69.02	77.85	13%	129.35	140.0	8%

NA = Not available.

1/ Includes pulses, corn gluten feed, and meal.

2/ Includes corn, oats, barley, rye, and sorghum.

3/ Includes only those items measured in metric tons.

4/ Wood products are not included in agricultural product value totals.

Note––1992 forecasts are taken from "Outlook for U.S. Agricultural Exports," May 29, 1992.

U.S. Agricultural Export Value by Region

Monthly and Annual Performance Indicators and Fiscal 1992 Forecasts

	March			October–March			Fiscal Year		
	1991	1992		1990/91	1991/92		1991	1992(f)	
	--Bil.$--		Change	--Bil.$--		Change	--Bil.$--		Change
Western Europe	0.708	0.725	2%	4.480	4.837	8%	7.310	7.6	4%
European Community	0.652	0.680	4%	4.187	4.537	8%	6.774	7.1	5%
Other Western Europe	0.056	0.045	−19%	0.293	0.299	2%	0.536	0.5	−7%
Eastern Europe	0.028	0.014	−52%	0.203	0.096	−53%	0.303	0.2	−34%
Former Soviet Union	0.366	0.182	−50%	0.946	1.650	74%	1.716	2.7	57%
Asia	1.382	1.403	2%	7.842	8.395	7%	14.647	15.7	7%
Japan	0.705	0.716	2%	4.108	4.256	4%	7.718	8.1	5%
China	0.100	0.085	−15%	0.361	0.443	22%	0.667	0.9	35%
Other East Asia	0.420	0.421	0%	2.500	2.616	5%	4.644	4.9	6%
Taiwan	0.163	0.145	−11%	0.900	1.030	14%	1.736	1.9	9%
South Korea	0.201	0.202	1%	1.212	1.159	−4%	2.159	2.2	2%
Hong Kong	0.056	0.073	31%	0.389	0.427	10%	0.744	0.8	7%
Other Asia	0.157	0.180	15%	0.873	1.080	24%	1.618	1.8	11%
Pakistan	0.001	0.007	769%	0.061	0.152	149%	0.143	0.2	39%
Philippines	0.029	0.035	22%	0.187	0.198	6%	0.373	0.4	7%
Middle East	0.152	0.143	−6%	0.719	0.875	22%	1.366	1.7	24%
Iraq	0.000	0.000	0%	0.000	0.000	0%	0.000	0.0	0%
Saudi Arabia	0.036	0.041	15%	0.260	0.286	10%	0.481	0.6	25%
Africa	0.177	0.199	12%	0.969	0.932	−4%	1.819	1.9	4%
North Africa	0.127	0.123	−3%	0.737	0.660	−10%	1.325	1.2	−9%
Egypt	0.077	0.066	−15%	0.391	0.367	−6%	0.692	0.6	−13%
Algeria	0.033	0.029	−10%	0.239	0.192	−20%	0.422	0.5	18%
Sub Saharan Africa	0.050	0.076	53%	0.232	0.273	17%	0.493	0.7	42%
Latin America	0.442	0.613	39%	2.609	3.145	21%	5.474	6.1	11%
Mexico	0.265	0.398	50%	1.358	1.737	28%	2.872	3.4	18%
Other Latin America	0.178	0.215	21%	1.251	1.407	13%	2.601	2.7	4%
Brazil	0.005	0.006	18%	0.142	0.109	−23%	0.271	0.2	−26%
Venezuela	0.016	0.022	37%	0.131	0.168	28%	0.307	0.4	30%
Canada	0.348	0.423	21%	2.038	2.309	13%	4.395	4.7	7%
Oceania	0.025	0.029	15%	0.186	0.231	24%	0.344	0.4	16%
World Total	3.629	3.730	3%	19.991	22.477	12%	37.370	41.0	10%

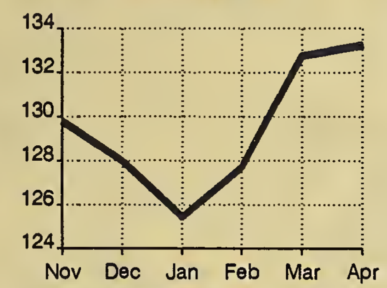
Exchange Rate Movements Of Major World Currencies Vis-a-Vis U.S. Dollar -- Daily Spot Quotations & Monthly Averages

Currencies	Current Rate 5/18/92	Month Ago 4/20/92	Year Ago 5/91	% Change Year Ago 5/91
Argentine Peso 1\	.99	.99	.98	0.36
Australian Dollar	1.3156	1.3026	1.2780	2.94
Brazilian Cruzeiro	2534.61	2152.02	266.65	850.54
Canadian Dollar	1.1987	1.1815	1.1495	4.28
Hong Kong Dollar	7.7345	7.7360	7.7900	-0.71
Japanese Yen	128.80	134.23	138.50	-7.00
Mexican Peso	3097.50	3062.51	3005.01	3.08
Taiwan Dollar	24.71	25.02	27.29	-9.45
South Korean Won	799.07	780.25	724.35	10.32
European ECU	.77646	.81169	.83054	-6.51
-British Pound	.5447	.5709	.5828	-6.54
-French Franc	5.3570	5.6275	5.8700	-8.74
-West German Mark	1.5953	1.6650	1.7330	-7.95

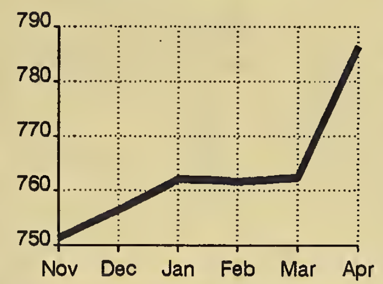
1\ *The Agentine Austral was recently converted to the Peso at a rate of 10,000 to 1.*

NOTE: Exchange rates are daily spot quotes as of 3:00 PM Eastern Time, May 18, 1992.
Source: TEID/ITP/FAS Exchange Rate Database and *Wall Street Journal.*

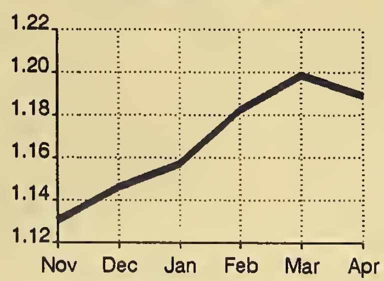
Japanese Yen



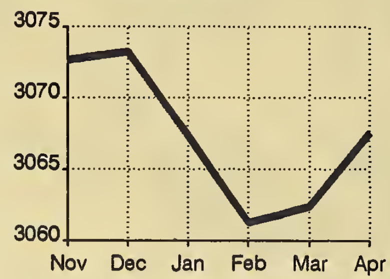
South Korean Won



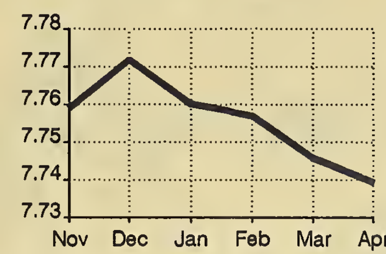
Canadian Dollar



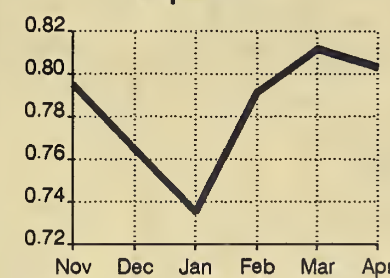
Mexican Peso



Hong Kong Dollar



European ECU



*U.S. G.P.O.:1992-311-338:60194/FAS

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